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7 July 1992

RECEIVED
JUL 2 1992
PRC ENVIRONMENTAL
MANAGEMENT, INC.

To Whom It May Concern:

We, the undersigned, wish to state that, at the request of the Environmental Protection Agency, we have conducted a diligent search of our records and sought to locate former employees who may have had knowledge of operations, chemical use and business practices and we are unable to provide any additional information.

We have not operated the business since it was sold to Canoga Industries in 1969 and our existing records do not provide the information sought.

Gordon N. Wagner
Gordon N. Wagner
104 Via Orvieto
Newport Beach, CA 92663

Joseph W. Basinger
Joseph W. Basinger
2246 Ridgmont Dr.
Los Angeles, CA 90046

000149

ALL-PURPOSE ACKNOWLEDGMENT

No. 5179

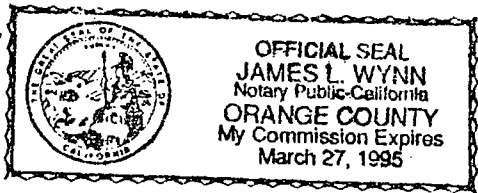
State of CALIFORNIA

County of ORANGE

On JULY 7, 1992 Before me, JAMES L. WYNN, Notary
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared GORDON N. RAGNER & JORDAN W. PASHKOR
NAME(S) OF SIGNER(S)

☐ personally known to me - OR - ☒ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that ~~he/she~~ they executed the same in ~~his/her~~ their authorized capacity(ies), and that by ~~his/her~~ their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Witness my hand and official seal.

James L. Wynn
SIGNATURE OF NOTARY

CAPACITY CLAIMED BY SIGNER

- ☒ INDIVIDUAL
- ☐ CORPORATE OFFICER(S) _____ TITLE(S) _____
- ☐ PARTNER(S) ☐ LIMITED ☐ GENERAL
- ☐ ATTORNEY-IN-FACT
- ☐ TRUSTEE(S)
- ☐ GUARDIAN/CONSERVATOR
- ☐ OTHER: _____

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

ATTENTION NOTARY: Although the information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to an unauthorized document.

THIS CERTIFICATE
MUST BE ATTACHED
TO THE DOCUMENT
DESCRIBED AT RIGHT:

Title or Type of Document AFFIDAVIT

Number of Pages 1 Date of Document 7/7/92

Signer(s) Other than Named Above _____



U.S. Environmental Protection Agency, Region IX

Financial Statement for Individuals *

(If additional space is needed, attach a separate sheet)

1. Your name and address (including zipcode and county) GORDON N. WAGNER 104 VIA ORVETO NEWPORT BEACH CA		2. Home phone number (714) 673-6466	3. Marital status MARRIED
Zip Code 92663	County ORANGE	4. Social Security Numbers (optional) a. Yours	b. Spouse

Section I

Employment Information

5. Present employer or business (name and address) RETIRED		6. Business phone number NONE	7. Occupation
5a. How long at present employment.		8. Check appropriate box <input type="checkbox"/> Wage earner <input type="checkbox"/> Sole proprietor	<input type="checkbox"/> Partner <input type="checkbox"/> Corporate officer
9. Spouse's employer or business (name and address) HOMEMAKER		10. Business phone number NONE	11. Occupation
9a. How long at present employment.		12. Check appropriate box <input type="checkbox"/> Wage earner <input type="checkbox"/> Sole proprietor	<input type="checkbox"/> Partner <input type="checkbox"/> Corporate officer

Section II.

Personal Information

13. Name, address and telephone number of next of kin or other reference

PEGGY WAGNER (wife)
SAME ADDRESS

14. Date of birth a. Yours 2-22-14	b. Spouse's 7-24-27
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Section III.

General Financial Information

15. Last three years Federal and state income tax returns filed 89-90-91	15a. Adjusted gross income on returns, per year 135,000/155,000/154,000	15b. List all states these returns were filed in: CALIF.
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16. Bank accounts (Include Savings & Loans, Credit Unions, IRA and Retirement Plans, Certificates of Deposit, etc.)

Name of Institution	Address	Type of Account	Account No.	Balance
SECURITY PACIFIC BK	3475 VIA LIDO NEWPORT BEACH, CA	CHECKING	046-745	10,000.
" " "	" "	SAVINGS	123108	10,000.

Total (Enter in item 25)

20,000

* This information is requested pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9604, and is not subject to approval of the Paperwork Reduction Act of 1980, 44 U.S.C. § 3501, et seq.

Section III - continued

General Financial Information

17. Charge cards. Lines of credit

Type of Account or Card	Name and Address of Financial Institution	Monthly Payment	Credit Limit	Amount Owed	Credit Available
MASTERCARD	SECURITY PACIFIC BANK NEWPORT BEACH, CA		8,500.	-0-	8,500.
Totals (Enter in Item 31)					8,500.

18. Safe deposit boxes rented or accessed (List all locations, box numbers, and contents including estimated market value)

19. Real Property (Brief description of property and type of ownership)		Address (Include county, state and parcel number)			
a.	HOUSE JT	104 VIA ORVIETO NEWPORT BEACH, CA. ORANGE 423-241-08			
b.	CONDO JT	33 LA CERRA DR. RANCHO MIRAGE, CA. RIVERSIDE 684502012-0			
c.	COMMERCIAL BLDGS 2/3 OWNER	11310 SHERMAN WAY SUN VALLEY, CA. LOS ANGELES 13-2319-1-6			
20. Insurance Policies (Name of Company)		Policy Number	Type	Face Amount	Available Loan Value
PRUDENTIAL INS. 32 664 791		32 664 791	WHOLE	25,000	-0-
32 904 997		32 904 997	LIFE	10,000	
SECURITY LIFE OF DENVER		00-0262482	"	10,000	-0-
		00-0313873		10,000	
USLIFE INS. 203014L		203014L	MEDALIST LIFE	75,000	7,000
Total (Enter in Item 27)					7,000

21. Additional Financial Information (Court and administrative proceedings by or against you, legal claims [whether asserted or not], settlement agreements, employment agreements, consulting and similar agreements, "golden parachute" agreements, bankruptcies, repossessions, recent transfers of assets for less than full value, anticipated increases in income, real estate being purchased under contract, real or personal property being held on your behalf, condition of health, information on trusts, estates, profit-sharing plans, inheritance, etc., in or of which you are a participant or beneficiary).

NONE

22. Are you currently receiving retirement benefits as a former civilian or military employee of the federal government? If so, give dates of service, agency or branch of service employed by, and location of employment.

No

23. Indicate any business entity with which you own five (5) percent or more of the outstanding stock (or other equity interest).

Name of Business Entity	Address	Percentage of Stock	Date Purchased
NONE			

Section IV.

Asset and Liability Analysis

Description	Current Market Value	Liabilities Balance Due	Equity in Asset	Amount of Monthly Payment	Name and Address of issuer or Lien/Note Holder/Obligee	Date Pledged	Date of Final Payment
24. Cash and precious metals or gems			200				
25. Bank accounts			20000				
26 a. Stocks							
b. Bonds	128690	-0-	128690				
c. Mutual Funds, Partnership Interest, Securities and other Investments							
27. Cash or loan value of Insurance.			7,000				
28. Vehicles (Model, year, license)							
a. 1980 T-BIRD 381 ZBC	1,000	-0-	1,000	-0-			
b. 1984 T-BIRD 1 JCF 525	4,500	-0-	4,500	-0-			
c. 1989 LINCOLN 2 MRK 684	16,000	-0-	16,000	-0-			
29. Real property (From Item 18)							
HOME a.	700,000	41,500	658,500	787	HOME SAVINGS PASADENA, CA		
CONDO b.	150,000	86,000	64,000	660	PALM SPRINGS SAV. BK		
2/3 BLDGS c.	666,000	-0-	666,000	-0-			
30. Other tangible assets (including art, boats, jewelry, options, etc.) or financial debts owed to you in excess of \$1000.							
a. NONE							
b.							
c.							
d.							
31. Bank revolving credit			8500				
32. Other Liabilities (Include judgements, notes, tax liens, etc.)							
a.							
b.							
c.							
d.							
e.							
f.							
g.							
33. Federal and state Taxes Owed							
34. Totals	2666190	127500	2574390	1447	Enter in Item 49		

List all transfers real & personal property, including cash (by gift or loan made not at fair market terms) that you have made within the last 3 years (Items with a current market value of \$1000.00 or more):

Date	Current Market Value	Sale Price You Received (if any)	Description of Property Transferred	To Whom (Indicate relationship to you)	Nature and Conditions of Transfer
	NONE				

Section V.

Monthly Income and Expense Analysis

Income			Necessary Living Expenses	
Source	Gross	Net		
35. Wages/Salaries	\$	\$ - 0 -	47. Rent (Do not show mortgage listed in Rem 30)	\$ - 0 -
36. Wages/Salaries (spouse)		- 0 -	48. Groceries (no. of people <u>2</u>)	800
37. Sales Commissions		- 0 -	49. Installment payments	1448
38. Interest - Dividends		555	50. Utilities (Gas \$ <u>114</u> Water \$ <u>40</u>)	
39. Net business income		- 0 -	Electric \$ <u>170</u> Phone \$ <u>176</u>)	500
40. Rental income		14422	51. Transportation	300
41. Pension/Social Security income		585	52. Insurance (Life \$ <u>360</u> Health \$ <u>240</u>)	
42. Pension/Social Security income (spouse)		285	Home \$ <u>128</u> Car \$ <u>210</u>)	938
43. Child Support		- 0 -	53. Medical (describe if in excess of \$500.00)	300
44. Alimony		- 0 -	54. Estimated tax payments (if self-employed)	1750
45. Other income (e.g. investment income, capital gains)			55. Other expenses (specify) CONDO FEES	410
			PROPERTY TAXES	232
			CABLE TV	127
			CLOTHING	300
46. Total	\$	\$ 15847	56. Total	\$ 7104

Certification

Under penalties of perjury, I declare that to the best of my knowledge and belief this statement of assets, liabilities, and other information is true, correct, and complete.

57. Your signature <u>Borden M. Wagner</u>	58. Date <u>7-6-92</u>
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U.S. Environmental Protection Agency, Region IX

Financial Statement for Individuals *

(If additional space is needed, attach a separate sheet)

1. Your name and address (including zip code and county) JOSEPH W. BASINGER 2246 RIDGEMONT DRIVE		2. Home phone number (213) 654-2539		3. Marital status MARRIED	
Zip Code 90046	County LOS ANGELES	4. Social Security Numbers (optional)	a. Yours 554-26-9560	b. Spouse 527-22-1824	

Section I

Employment Information

5. Present employer or business (name and address) RETIRED		6. Business phone number NONE		7. Occupation	
5a. How long at present employment.				8. Check appropriate box <input type="checkbox"/> Wage earner <input type="checkbox"/> Sole proprietor <input type="checkbox"/> Partner <input type="checkbox"/> Corporate officer	
9. Spouse's employer or business (name and address) HOUSEWIFE		10. Business phone number NONE		11. Occupation	
9a. How long at present employment.				12. Check appropriate box <input type="checkbox"/> Wage earner <input type="checkbox"/> Sole proprietor <input type="checkbox"/> Partner <input type="checkbox"/> Corporate officer	

Section II.

Personal Information

13. Name, address and telephone number of next of kin or other reference DAUGHTER JOANNE GILLMORE 6395 W. LEAWOOD DRIVE LITTLETON, COLO 80123 (303) 424-3892		
14. Date of birth	a. Yours NOV 1, 1921	b. Spouse's JULY 20, 1924

Section III.

General Financial Information

15. Last three years' Federal and state income tax returns filed YES	15a. Adjusted gross income on returns, per year 80,000	15b. List all states these returns were filed in: CALIFORNIA
16. Bank accounts (include Savings & Loans, Credit Unions, IRA and Retirement Plans, Certificates of Deposit, etc.)		

Name of Institution	Address	Type of Account	Account No.	Balance
BANK OF AMERICA	6300 SUNSET BLVD. HOLLYWOOD, CA	CHECKING	373100631	463.
HOME SAVING	STUDIO CITY, CA	SAVINGS	006-025042	2,543
COAST FEDERAL	Box 4186 PANDRAMA CITY	CHECKING	1-300148-2	38,200

Total (Enter in item 25)

4,206

* This information is requested pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9604, and is not subject to approval of the Paperwork Reduction Act of 1980, 44 U.S.C. § 3501, et seq.

Section III - continued

General Financial Information

17. Charge cards, Lines of credit

Type of Account or Card	Name and Address of Financial Institution	Monthly Payment	Credit Limit	Amount Owed	Credit Available
VISA	BANK OF AMERICA - PASADENA Box 9999		5,600	0	5,600
VISA	AT&T COLUMBUS, GA 31997		9,900	0	9,900
Totals (Enter in Item 31)					15,500

18. Safe deposit boxes rented or accessed (List all locations, box numbers, and contents including estimated market value)

19. Real Property (Brief description of property and type of ownership)	Address (Include county, state and parcel number)			
a. HOUSE	2246 RIDGEMONT DRIVE LOS ANGELES, CA 90046 5564-022-007			
b. COMMERCIAL BUILDINGS	9017 SAN FERNANDO RD. SUN VALLEY, CALIFORNIA 2681-016-024			
c. COMMERCIAL BUILDINGS 1/3 OWNER	11310 SHERMAN WAY SUN VALLEY, CALIFORNIA 13-2319-1-6			
20. Insurance Policies (Name of Company)	Policy Number	Type	Face Amount	Available Loan Value
NEW YORK LIFE	17346998	WHOLE LIFE	2,000	1,865
Total (Enter in Item 27)				1,865

21. Additional Financial Information (Court and administrative proceedings by or against you, legal claims (whether asserted or not), settlement agreements, employment agreements, consulting and similar agreements, "golden parachute" agreements, bankruptcies, repossessions, recent transfers of assets for less than full value, anticipated increases in income, real estate being purchased under contract, real or personal property being held on your behalf, condition of health, information on trusts, estates, profit-sharing plans, inheritance, etc., in or of which you are a participant or beneficiary).

NONE

HEALTH IS EXCELLENT

22. Are you currently receiving retirement benefits as a former civilian or military employee of the federal government? If so, give dates of service, agency or branch of service employed by, and location of employment.

NONE

23. Indicate any business entity with which you own five (5) percent or more of the outstanding stock (or other equity interest).

Name of Business Entity	Address	Percentage of Stock	Date Purchased
NONE			

Section IV.

Asset and Liability Analysis

Description	Current Market Value	Liabilities Balance Due	Equity in Asset	Amount of Monthly Payment	Name and Address of issuer or Lien/Note Holder/Obligee	Date Pledged	Date of Final Payment
24. Cash and precious metals or gems			300.00				
25. Bank accounts			41,206.00				
26 a. Stocks			185,966.00				
b. Bonds			33,003.00				
c. Mutual Funds, Partnership Interest, Securities and other Investments			54,679.00				
27. Cash or loan value of Insurance.			1,868				
28. Vehicles (Model, year, license)							
1979 TOYOTA MOTOR HOUSE							
a. 241 WVB	15,000	0	15,000	0			
1988 TOYOTA PICK UP							
b. 3R24060	8,000	0	8,000	0			
1982 JAGUAR							
c. VMB JWB	15,000	0	15,000	0			
29. Real property (From Item 18)							
HOUSE	a. 600,000	0	600,000	0			
BUILDING	b. 350,000	0	350,000	0			
1/3 BUILDING	c. 833,333	0	833,333	0			
30. Other tangible assets (including art, boats, jewelry, options, etc.) or financial debts owed to you in excess of \$1000.							
a. NONE							
b.							
c.							
d.							
31. Bank revolving credit			15,500				
32. Other Liabilities (Include judgements, notes, tax liens, etc.)							
a.							
b.							
c.							
d.							
e.							
f.							
g.							
33. Federal and state Taxes Owed		0		0			
34. Totals		0	2,153,933		Enter in Item 49		

List all transfers real & personal property, including cash (by gift or loan made not at fair market terms) that you have made within the last 3 years (Items with a current market value of \$1000.00 or more): **NONE**

Date	Current Market Value	Sale Price You Received (if any)	Description of Property Transferred	To Whom (Indicate relationship to you)	Nature and Conditions of Transfer

Section V.

Monthly Income and Expense Analysis

Income			Necessary Living Expenses	
Source	Gross	Net		
35. Wages/Salaries	\$	\$ 0	47. Rent (Do not show mortgage listed in item 30)	\$ 0
36. Wages/Salaries (spouse)		0	48. Groceries (no. of people <u>3</u>)	400
37. Sales Commissions		0	49. Installment payments	0
38. Interest - Dividends		1,260	50. Utilities (Gas \$ <u>40.</u> Water \$ <u>50.</u>)	
39. Net business income		0	Electric \$ <u>100</u> Phone \$ <u>70</u>	260
40. Rental income		10,711	51. Transportation	200
41. Pension/Social Security income		558	52. Insurance (Life \$ <u>0</u> Health \$ <u>250</u>)	
42. Pension/Social Security income (spouse)		252	Home \$ <u>80</u> Car \$ <u>315</u>	645
43. Child Support		0	53. Medical (describe if in excess of \$500.00)	
44. Alimony		0	54. Estimated tax payments (if self-employed)	1,333
45. Other income (e.g. investment income, capital gains)		0	55. Other expenses (specify)	
			BUILDING INSURANCE	245
46. Total	\$	\$ 12,781	56. Total	\$ 3,083

Certification

Under penalties of perjury, I declare that to the best of my knowledge and belief this statement of assets, liabilities, and other information is true, correct, and complete.

57. Your signature

Joseph W. Basinger

58. Date

7/6/92

Standard Industrial Lease

FRANKSON
INDUSTRIAL REAL ESTATE
849-2463
119 South Golden Mall
Burbank, California 91502

Question # 1

1. Parties. This Lease, dated, for reference purposes only, November 6, 19 75, is made by and between Gordon N. Wagner & Joseph W. Basinger (herein called "Lessor") and Stellar Hydraulics Company, A California Corporation (herein called "Lessee").

2. Premises. Lessor hereby leases to Lessee and Lessee leases from Lessor for the term, at the rental, and upon all of the conditions set forth herein, that certain real property situated in the County of Los Angeles State of California, commonly known as 11310 Sherman Way, Sun Valley, California 91352 and described as SEE ATTACHED

Said real property including the land and all improvements thereon, is herein called "the Premises".

3. Term.

3.1 Term. The term of this Lease shall be for Ten (10) years commencing on March 1, 1976 and ending on February 28, 1986 unless sooner terminated pursuant to any provision hereof.

3.2 Delay in Commencement. Notwithstanding said commencement date, if for any reason Lessor cannot deliver possession of the Premises to Lessee on said date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or the obligations of Lessee hereunder or extend the term hereof, but in such case Lessee shall not be obligated to pay rent until possession of the Premises is tendered to Lessee; provided, however, that if Lessor shall not have delivered possession of the Premises within sixty (60) days from said commencement date, Lessee may, at Lessee's option, by notice in writing to Lessor within ten (10) days thereafter, cancel this Lease, in which event the parties shall be discharged from all obligations hereunder. If Lessee occupies the Premises prior to said commencement date, such occupancy shall be subject to all provisions hereof, such occupancy shall not advance the termination date, and Lessee shall pay rent for such period at the initial monthly rates set forth below.

4. Rent. Lessee shall pay to Lessor as rent for the Premises Six Hundred Forty Five Thousand One Hundred Twenty \$645,120.00, payable in equal monthly installments of \$ 5,376.00, in advance, on the first day of each month of the term hereof. Lessee shall pay Lessor upon the execution hereof \$ 5,376.00 as rent for the first month's rent

Rent for any period during the term hereof which is for less than one month shall be a pro rata portion of the monthly installment. Rent shall be payable in lawful money of the United States to Lessor at the address stated herein or to such other persons or at such other places as Lessor may designate in writing.

5. Security Deposit. Lessee shall deposit with Lessor upon execution hereof \$ 10,752.00 as security for Lessee's faithful performance of Lessee's obligations hereunder. If Lessee fails to pay rent or other charges due hereunder, or otherwise defaults with respect to any provision of this Lease, Lessor may use, apply or retain all or any portion of said deposit for the payment of any rent or other charge in default or for the payment of any other sum to which Lessor may become obligated by reason of Lessee's default, or to compensate Lessor for any loss or damage which Lessor may suffer thereby. If Lessor so uses or applies all or any portion of said deposit, Lessee shall within ten (10) days after written demand therefor deposit cash with Lessor in an amount sufficient to restore said deposit to the full amount hereinabove stated and Lessee's failure to do so shall be a material breach of this Lease. Lessor shall not be required to keep said deposit separate from its general accounts. If Lessee performs all of Lessee's obligations hereunder, said deposit, or so much thereof as has not theretofore been applied by Lessor, shall be returned, without payment of interest or other increment for its use, to Lessee (or, at Lessor's option, to the last assignee, if any, of Lessee's interest hereunder) at the expiration of the term hereof, and after Lessee has vacated the Premises.

6. Use.

6.1 Use. The Premises shall be used and occupied only for the manufacturing storage and distribution of Lessee's products and related activities.

6.2 Compliance with Law. Lessee shall, at Lessee's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term or any part of the term hereof regulating the use by Lessee of the Premises. Lessee shall not use or permit the use of the Premises in any manner that will tend to create waste or a nuisance or, if there shall be more than one tenant of the building containing the Premises, which shall tend to disturb such other tenants.

6.3 Condition of Premises. Lessee hereby accepts the Premises in their condition existing as of the date of the ~~execution~~ commencement hereof, subject to all applicable zoning, municipal, county and state laws, ordinances and regulations governing and regulating the use of the Premises, and accepts this Lease subject thereto and to all matters disclosed thereby and by any exhibits attached hereto. Lessee acknowledges that neither Lessor nor Lessor's agent has made any representation or warranty as to the suitability of the Premises for the conduct of Lessee's business.

7. Maintenance, Repairs and Alterations.

7.1 Lessee's Obligations. Lessee shall during the term of this Lease keep in good order, condition and repair, the Premises and every part thereof, structural or non-structural, and all adjacent sidewalks, landscaping, driveways, parking lots, fences and signs located in the areas which are adjacent to and included with the Premises. Lessor shall incur no expense nor have any obligation of any kind whatsoever in connection with maintenance of the Premises, and Lessee expressly waives the benefits of any statute now or hereafter in effect which would otherwise afford Lessee the right to make repairs at Lessor's expense or to terminate this Lease because of Lessor's failure to keep the Premises in good order, condition and repair.

7.2 Surrender. On the last day of the term hereof, or on any sooner termination, Lessee shall surrender the Premises to Lessor in the same condition as when received, broom clean, ordinary wear and tear excepted. Lessee shall repair any damage to the Premises occasioned by the removal of Lessee's trade fixtures, furnishings and equipment pursuant to Paragraph 7.4(c), which repair shall include the patching and filling of holes and repair of structural damage.

7.3 Lessor's Rights. If Lessee fails to perform Lessee's obligations under this Paragraph 7, Lessor may at its option (but shall not be required to) enter upon the Premises, after ten (10) days' prior written notice to Lessee, and put the same in good order, condition and repair, and the cost thereof together with interest thereon at the rate of 10% per annum shall become due and payable as additional rental to Lessor together with Lessee's next rental installment.

7.4 Alterations and Additions.

(a) Lessee shall not, without Lessor's prior written consent, make any alterations, improvements, additions, utility installations in on or about the Premises, except for non-structural alterations not exceeding \$1,000 in cost. As used in this Paragraph 7.4, the term "utility installations" shall include bus ducting, power panels, fluorescent fixtures, space heaters, conduits and wiring. As a condition to giving such consent, Lessor may require that Lessee agree to remove any such alterations, improvements, additions or utility installations at the expiration of the term, and to restore the Premises to their prior condition. As a further condition in giving such consent, Lessor may require Lessee to provide Lessor, at Lessee's sole cost and expense, a lien and completion bond in an amount equal to one and one-half times the estimated cost of such improvements, to insure Lessor against any liability for mechanics' and materialmen's liens and to insure completion of the work.

(b) Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than ten (10) days' notice prior to the commencement of any work in the Premises, and Lessor shall have the right to put notices of non-responsibility in or on the Premises as provided by law.

(c) Unless Lessor requires their removal, as set forth in Paragraph 7.4(a), all alterations, improvements, additions and utility installations (whether or not such utility installations constitute trade fixtures of Lessee, which may be made on the Premises, shall become the property of Lessor and remain upon and be surrendered with the Premises at the expiration of the term. Notwithstanding the provisions of this Paragraph 7.4(c), Lessee's machinery and equipment, other than that which is affixed to the Premises so that it cannot be removed without material damage to the Premises, shall remain the property of Lessee and may be removed by Lessee subject to the provisions of Paragraph 7.2.

8. Insurance; Indemnity.

8.1 Insuring Party. As used in this Paragraph 8, the term "insuring party" shall mean the party who has the obligation to obtain the insurance required hereunder. The insuring party in this case shall be designated following the signatures of the parties below. Whether the insuring party is the Lessor or the Lessee, Lessee shall, at additional rent for the Premises, pay the cost of all insurance required hereunder. If Lessor is the insuring party Lessee shall, within ten (10) days following demand by Lessor, reimburse Lessor for the cost of the insurance so obtained.

8.2 Liability Insurance. The insuring party shall obtain and keep in force during the term of this Lease a policy of comprehensive public liability insurance insuring Lessor and Lessee against any liability arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be in an amount of not less than \$300,000 for injury to or death of one person in any one accident or occurrence and in an amount of not less than \$500,000 for injury to or death of more than one person in any one accident or occurrence. Such insurance shall further insure Lessor and Lessee against liability for property damage of at least \$50,000. The limits of said insurance shall not, however, limit the liability of Lessee hereunder. In the event that the Premises constitute a part of a larger property said insurance shall have a Lessor's Protective Liability endorsement attached thereto. If the insuring party shall fail to procure and maintain said insurance the other party may, but shall not be required to, procure and maintain the same, but at the expense of Lessee.

8.3 Property Insurance. The insuring party shall obtain and keep in force during the term of this Lease a policy or policies of insurance covering loss or damage to the Premises, in the amount of the full replacement value thereof, against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, special extended perils (all risk) and sprinkler leakage. Said insurance shall provide for payment of loss thereunder to Lessor or to the holder of a first mortgage or deed of trust on the Premises. The insuring party shall, in addition, obtain and keep in force during the term of this Lease a policy of rental income insurance covering a period of six months, with loss payable to Lessor. If the insuring party shall fail to procure and maintain said insurance the other party may, but shall not be required to, procure and maintain the same, but at the expense of Lessee. (for addition hereto see following item 10.21 herein.)

8.4 Insurance Policies. Insurance required hereunder shall be in companies rated AAA or better in "Best's Insurance Guide". The insuring party shall deliver to the other party copies of policies of such insurance or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Lessor. No such policy shall be cancellable or subject to reduction of coverage or other modification except after ten (10) days' prior written notice to Lessor. If Lessee is the insuring party Lessee shall, within ten (10) days prior to the expiration of such policies, furnish Lessor with renewals or "binders" thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee upon demand. Lessee shall not do or permit to be done anything which shall invalidate the insurance policies referred to in Paragraph 8.3. If Lessee does or permits to be done anything which shall increase the cost of the insurance policies referred to in Paragraph 8.3, then Lessee shall forthwith upon Lessor's demand reimburse Lessor for any additional premiums attributable to any act or omission or operation of Lessee causing such increase in the cost of insurance. If Lessor is the insuring party, and if the insurance policies maintained hereunder cover other improvements in addition to the Premises, Lessor shall deliver to Lessee a written statement setting forth the amount of any such insurance cost increase and showing in reasonable detail the manner in which it has been computed.

8.5 Waiver of Subrogation. Lessee and Lessor each hereby waive any and all rights of recovery against the other, or against the officers, employees, agents and representatives of the other, for loss of or damage to such waiving party or its property or the property of others under its control to the extent that such loss or damage is insured against under any insurance policy in force at the time of such loss or damage. The insuring party shall, upon obtaining the policies of insurance required hereunder, give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

8.6 Indemnity. Lessee shall indemnify and hold harmless Lessor from and against any and all claims arising from Lessee's use of the Premises, or from the conduct of Lessee's business or from any activity, work or things done, permitted or suffered by Lessee in or about the Premises or elsewhere and shall further indemnify and hold harmless Lessor from and against any and all claims arising from any breach or default in the performance of any obligation on Lessee's part to be performed under the terms of this Lease, or arising from any negligence of the Lessee, or any of Lessee's agents, contractors, or employees, and from and against all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against Lessor by reason of any such claim, Lessee upon notice from Lessor shall defend the same at Lessee's expense by counsel of Lessor's choice. Lessee, as a material part of the consideration to Lessor, hereby assumes all risk of damage to property or injury to persons, in, upon or about the Premises arising from any cause and Lessee hereby waives all claims in respect thereof against Lessor.

8.7 Exemption of Lessor from Liability. Lessee hereby agrees that Lessor shall not be liable for injury to Lessee's business or any loss of income therefrom or for damage to the goods, wares, merchandise or other property of Lessee, Lessee's employees, invitees, customers, or any other person in or about the Premises, nor shall Lessor be liable for injury to the person of Lessee, Lessee's employees, agents or contractors, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether the said damage or injury results from conditions arising upon the Premises or upon other portions of the building of which the Premises are a part, or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Lessee. Lessor shall not be liable for any damages arising from any act or neglect of any other tenant, if any, of the building in which the Premises are located.

9. Damage or Destruction.

9.1 Partial Damage—Insured. Subject to the provisions of Paragraph 9.4, if the Premises are damaged and such damage was caused by a casualty covered under an insurance policy required to be maintained pursuant to Paragraph 8.3, Lessor shall at Lessor's expense repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. Notwithstanding the above, if the Lessee is the insuring party, and if the insurance proceeds received by Lessor are not sufficient to effect such repair, Lessor shall give notice to Lessee of the amount required in addition to the insurance proceeds to effect such repair. Lessee may, at Lessee's option, contribute the required amount, but upon failure to do so within thirty (30) days following such notice, Lessor's sole remedy shall be, at Lessor's option and with no liability to Lessee, to cancel and terminate this Lease. If Lessee shall contribute such amount to Lessor within said thirty (30) day period, Lessor shall make such repairs as soon as reasonably possible and this Lease shall continue in full force and effect. Lessee shall in no event have any right to reimbursement for any such amount so contributed.

9.2 Partial Damage—Uninsured. Subject to the provisions of Paragraph 9.4, if at any time during the term hereof the Premises are damaged, except by a negligent or willful act of Lessee, and such damage was caused by a casualty not covered under an insurance policy required to be maintained pursuant to Paragraph 8.3, Lessor may at Lessor's option either (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) give written notice to Lessee within thirty (30) days after the date of the occurrence of such damage of Lessor's intention to cancel and terminate this Lease as of the date of the occurrence of such damage. In the event Lessor elects to give such notice of Lessor's intention to cancel and terminate this Lease, Lessee shall have the right within ten (10) days after the receipt of such notice to give written notice to Lessor of Lessee's intention to repair such damage at Lessee's expense, without reimbursement from Lessor, in which event this Lease shall continue in full force and effect, and Lessee shall proceed to make such repairs as soon as reasonably possible. If Lessee does not give such notice within such 10-day period this Lease shall be cancelled and terminated as of the date of the occurrence of such damage.

9.3 Total Destruction. If at any time during the term hereof the Premises are totally destroyed from any cause whether or not covered by the insurance required to be maintained pursuant to Paragraph 8.3 (including any total destruction required by any authorized public authority) this Lease shall automatically terminate as of the date of such total destruction.

9.4 Damage Near End of Term. If the Premises are partially destroyed or damaged during the last six months of the term of this Lease, Lessor may at Lessor's option cancel and terminate this Lease as of the date of occurrence of such damage by giving written notice to Lessee of Lessor's election to do so within 30 days after the date of occurrence of such damage.

9.5 Abatement of Rent; Lessee's Remedies.

(a) If the Premises are partially destroyed or damaged and Lessor or Lessee repairs or restores them pursuant to the provisions of this Article, the rent payable under Paragraph 4 for the period during which such damage, repair or restoration continues shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired; provided, however, that the aggregate amount of abatement hereunder shall not exceed the total of rent payable under Paragraph 4 for a period of six months. Except for abatement of rent, if any, Lessee shall have no claim against Lessor for any damage suffered by reason of any such damage, destruction, repair or restoration.

(b) If Lessor shall be obligated to repair or restore the Premises under the provisions of this Paragraph 9 and shall not commence such repair or restoration within 90 days after such obligation shall accrue, Lessee may at Lessee's option cancel and terminate this Lease by giving Lessor written notice of Lessee's election to do so at any time prior to the commencement of such repair or restoration. In such event this Lease shall terminate as of the date of such notice. Any abatement in rent shall be computed as provided in Paragraph 9.5(a).

9.6 Termination—Advance Payments. Upon termination of this Lease pursuant to this Paragraph 9, an equitable adjustment shall be made concerning advance rent and any advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's security deposit as has not theretofore been applied by Lessor.

10. Real Property Taxes.

10.1 Payment of Taxes. Lessee shall pay all real property taxes applicable to the Premises during the term of this Lease. All such payments shall be made at least ten (10) days prior to the delinquency date of such payment. Lessee shall promptly furnish Lessor with satisfactory evidence that such taxes have been paid. If any such taxes paid by Lessee shall cover any period of time prior to or after the expiration of the term hereof, Lessee's share of such taxes shall be equitably prorated to cover only the period of time within the tax fiscal year during which this Lease shall be in effect, and Lessor shall reimburse Lessee to the extent required. If Lessee shall fail to pay any such taxes, Lessor shall have the right to pay the same, in which case Lessee shall repay such amount to Lessor with Lessee's next rent installment together with interest at the rate of 10% per annum.

10.2 Definition of "Real Property" Tax. As used herein, the term "real property tax" shall include any form of assessment, license fee, commercial rental tax, levy, penalty, or tax (other than inheritance or estate taxes), imposed by any authority having the direct or indirect power to, including any city, county, state or federal government, or any school, agricultural, lighting, drainage or other improvement district thereof, as against any legal or equitable interest of Lessor in the Premises or in the real property of which the Premises are a part, as against Lessor's right to rent or other income therefrom, or as against Lessor's business of leasing the Premises.

10.3 Joint Assessment. If the Premises are not separately assessed, Lessee's liability shall be an equitable proportion of the real property taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.4 Personal Property Taxes. Lessee shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Lessee contained in the Premises or elsewhere. When possible, Lessee shall cause said trade fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor.

11. Utilities.

Lessee shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises, together with any taxes thereon. If any such services are not separately metered to Lessee, Lessee shall pay a reasonable proportion to be determined by Lessor of all charges jointly metered with other premises.

12. Assignment and Subletting.

12.1 Lessor's Consent Required. Lessee shall not voluntarily or by operation of law assign, transfer, mortgage, sublet, or otherwise transfer or encumber all or any part of Lessee's interest in this Lease or in the Premises, without Lessor's prior written consent, which Lessor shall not unreasonably withhold. Any attempted assignment, transfer, mortgage, encumbrance or subletting without such consent shall be void, and shall constitute a breach of this Lease.

12.2 No Release of Lessee. Regardless of Lessor's consent, no subletting or assignment shall release Lessee of Lessee's obligation or alter the primary liability of Lessee to pay the rent and to perform all other obligations to be performed by Lessee hereunder. The acceptance of rent by Lessee from any other person shall not be deemed to be a waiver by Lessor of any provision hereof. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting.

12.3 Attorney's Fees. In the event that Lessor shall consent to a sublease or assignment under Paragraph 12.1, Lessee shall pay Lessor's reasonable attorneys' fees not to exceed \$100 incurred in connection with giving such consent.

13. Defaults; Remedies.

13.1 Defaults. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Lessee:

- (a) The vacating or abandonment of the Premises by Lessee.
- (b) The failure by Lessee to make any payment of rent or any other payment required to be made by Lessee hereunder, as and when due, where such failure shall continue for a period of three days after written notice thereof from Lessor to Lessee.
- (c) The failure by Lessee to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Lessee, other than described in paragraph (b) above, where such failure shall continue for a period of 30 days after written notice hereof from Lessor to Lessee; provided, however, that if the nature of Lessee's default is such that more than 30 days are reasonably required for its cure, then Lessee shall not be deemed to be in default if Lessee commenced such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.
- (d) (i) The making by Lessee of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against Lessee of a petition to have Lessee adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days.

13.2 Remedies. In the event of any such material default or breach by Lessee, Lessor may at any time thereafter, with or without notice or demand and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such default or breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession of the Premises to Lessor. In such event Lessor shall be entitled to recover from Lessee all damages incurred by Lessor by reason of Lessee's default including, but not limited to, the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorney's fees, and any real estate commission actually paid; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Lessee proves could be reasonably avoided; that portion of the leasing commission paid by Lessor pursuant to Paragraph 15 applicable to the unexpired term of this Lease. Unpaid installments of rent or other sums shall bear interest from the date due at the rate of 10% per annum. In the event Lessee shall have abandoned the Premises, Lessor shall have the option of (i) retaking possession of the Premises and recovering from Lessee the amount specified in this Paragraph 13.2(a), or (ii) proceeding under Paragraph 13.2(b).

(b) Maintain Lessee's right to possession in which case this Lease shall continue in effect whether or not Lessee shall have abandoned the Premises. In such event Lessor shall be entitled to enforce all of Lessor's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.

(c) Pursue any other remedy now or hereafter available to Lessor under the laws or judicial decisions of the State of California.

13.3 Default by Lessor. Lessor shall not be in default unless Lessor fails to perform obligations required of Lessor within a reasonable time, but in no event later than thirty (30) days after written notice by Lessee to Lessor and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Lessee in writing, specifying wherein Lessor has failed to perform such obligations; provided, however, that if the nature of Lessor's obligation is such that more than thirty (30) days are required for performance then Lessor shall not be in default if Lessor commences performance within such 30-day period and thereafter diligently prosecutes the same to completion.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee to Lessor of rent and other sums due hereunder will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed on Lessor by the terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of rent or any other sum due from Lessee shall not be received by Lessor or Lessor's designee within ten (10) days after such amount shall be due, Lessee shall pay to Lessor a late charge equal to 10% of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of late payment by Lessee. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's default with respect to such overdue amount, nor prevent Lessor from exercising any of the other rights and remedies granted hereunder.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the floor area of the improvements on the premises, or more than 25% of the land area of the Premises which is not occupied by any improvements, is taken by condemnation, Lessee may, at Lessee's option, to be exercised in writing only within ten (10) days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the proportion that the floor area taken bears to the total floor area of the building situated on the Premises. Any award for the taking of all or any part of the Premises under the power of eminent domain, or any payment made under threat of the exercise of such power shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold or for the taking of the fee, or as severance damages; provided, however, that Lessee shall be entitled to any award for loss of or damage to Lessee's trade fixtures and removable personal property. In the event that this Lease is not terminated by reason of such condemnation, Lessor shall, to the extent of severance damages received by Lessor in connection with such condemnation, repair any damage to the Premises caused by such condemnation except to the extent that Lessee has been reimbursed therefor by the condemning authority. Lessee shall pay any amount in excess of such severance damages required to complete such repair.

15. Broker's Fee. Upon execution of this Lease by both parties, Lessor shall pay to None

licensed real estate broker, a fee of \$ None for brokerage services heretofore rendered. Lessor further agrees that if Lessee exercises any option granted herein or any option substantially similar thereto, either to extend the term of this Lease, to renew this Lease, to purchase said Premises or any part thereof and/or any adjacent property which Lessor may own or in which Lessor has an interest, or any other option granted herein, or if said broker is the procuring cause of any other lease or sale entered into between the parties pertaining to the Premises and/or any adjacent property in which Lessor has an interest, then as to any of said transactions, Lessor shall pay said broker a fee in accordance with the schedule of said broker's effect at the time of execution of this Lease. Lessor agrees to pay said fee not only on behalf of Lessor but also on behalf of any person, corporate association, or other entity having an ownership interest in said real property or any part thereof, when such fee is due hereunder. Any transfer of Lessor's interest in this Lease, by accepting an assignment of such interest, shall be deemed to have assumed Lessor's obligation under this Paragraph. Said broker shall be a third party beneficiary of the provisions of this Paragraph.

16. General Provisions.

16.1 Estoppel Certificate.

(a) Lessee shall at any time upon not less than ten (10) days' prior written notice from Lessee execute, acknowledge and deliver statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification) certifying that this Lease, as so modified, is in full force and effect and the date to which the rent and other charges are paid in advance acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor hereunder, or specifying such defaults. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises.

(b) Lessee's failure to deliver such statement within such time shall be conclusive upon Lessee (i) that this Lease is without modification except as may be represented by Lessor, (ii) that there are no uncured defaults in Lessor's performance, and one month's rent has been paid in advance.

(c) If Lessor desires to finance or refinance the Premises, or any part thereof, Lessee hereby agrees to deliver to Lessor such financial statements of Lessee as may be reasonably required by such lender. Such statements shall include statements of Lessee. All such financial statements shall be received by Lessor in confidence and shall be used only for the

16.2 Lessor's Liability. The term "Lessor" as used herein shall mean only the owner or owners at the time in or interest in a ground lease of the Premises, and except as expressly provided in Paragraph 15, in the event of any transfer herein named (and in case of any subsequent transfers the then grantor) shall be released from and after the date of Lessee's obligations thereafter to be performed, provided that any funds in the hands of Lessor or the then grantor Lessee has an interest, shall be delivered to the grantee. The obligations continued in this Lease to be performed binding on Lessor's successors and assigns, only during their respective periods of ownership.

16.3 Severability. The invalidity of any provision of this Lease as determined by a court of competent jurisdiction shall not affect the validity of any other provision hereof.

16.4 Interest on Past-due Obligations. Except as expressly herein provided, any amount due to Lessor not paid when due shall bear interest at 10% per annum from the date due. Payment of such interest shall not excuse or cure any default by Lessee under this Lease.

16.5 Time of Essence. Time is of the essence.

16.6 Captions. Article and paragraph captions are not a part hereof.

16.7 Incorporation of Prior Agreements; Amendments. This Lease contains all agreements of the parties with respect to any matter mentioned herein. No prior agreement or understanding pertaining to any such matter shall be effective. This Lease may be modified in writing only, signed by the parties in interest at the time of the modification.

16.8 Notices. Any notice required or permitted to be given hereunder shall be in writing and may be served personally or by regular mail, addressed to Lessor and Lessee respectively at the addresses set forth after their signatures at the end of this Lease.

16.9 Waivers. No waiver by Lessor of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Lessee of the same or any other provision. Lessor's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to or approval of any subsequent act by Lessee. The acceptance of rent hereunder by Lessor shall not be a waiver of any preceding breach by Lessee of any provision hereof, other than the failure of Lessee to pay the particular rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

16.10 Recording. Lessee shall not record this Lease without Lessor's prior written consent, and such recordation shall, at the option of Lessor, constitute a non-curable default of Lessee hereunder. Either party shall, upon request of the other, execute, acknowledge and deliver to the other a "short form" memorandum of this Lease for recording purposes.

16.11 Holding Over. If Lessee remains in possession of the Premises or any part thereof after the expiration of the term hereof without the express written consent of Lessor, such occupancy shall be a tenancy from month to month at a rental in the amount of the last monthly rental plus all other charges payable hereunder, and upon all the terms hereof applicable to a month-to-month tenancy.

16.12 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

16.13 Covenants and Conditions. Each provision of this Lease performable by Lessee shall be deemed both a covenant and a condition.

16.14 Binding Effect; Choice of Law. Subject to any provisions hereof restricting assignment or subletting by Lessee and subject to the provisions of Paragraph 16.2, this Lease shall bind the parties, their personal representatives, successors and assigns. This Lease shall be governed by the laws of the State of California.

16.15 Subordination.

(a) This Lease, at Lessor's option, shall be subordinate to any ground lease, mortgage, deed of trust, or any other hypothecation for security now or hereafter placed upon the real property of which the Premises are a part and to any and all advances made on the security thereof and to all renewals, modifications, consolidations, replacements and extensions thereof. Notwithstanding such subordination, Lessee's right to quiet possession of the Premises shall not be disturbed if Lessee is not in default and so long as Lessee shall pay the rent and observe and perform all of the provisions of this Lease, unless this Lease is otherwise terminated pursuant to its terms. If any mortgagee, trustee or ground lessor shall elect to have this Lease prior to the lien of its mortgage, deed of trust or ground lease, and shall give written notice thereof to Lessee, this Lease shall be deemed prior to such mortgage, deed of trust, or ground lease, whether this Lease is dated prior or subsequent to the date of said mortgage, deed of trust or ground lease or the date of recording thereof.

(b) Lessee agrees to execute any documents required to effectuate such subordination or to make this Lease prior to the lien of any mortgage, deed of trust or ground lease, as the case may be, and failing to do so within ten (10) days after written demand, does hereby make, constitute and irrevocably appoint Lessor as Lessee's attorney in fact and in Lessee's name, place and stead, to do so.

16.16 Attorney's Fees. If either party or the broker named herein brings an action to enforce the terms hereof or declare rights hereunder, the prevailing party in any such action, on trial or appeal, shall be entitled to his reasonable attorney's fees to be paid by the losing party as fixed by the court. The provisions of this paragraph shall inure to the benefit of the broker named herein who seeks to enforce a right hereunder.

16.17 Lessor's Access. Lessor and Lessor's agents shall have the right to enter the Premises at reasonable times for the purpose of inspecting the same, showing the same to prospective purchasers, or lenders, and making such alterations, repairs, improvements or additions to the Premises as to the building of which they are a part as Lessor may deem necessary or desirable. Lessor may at any time place on or about the Premises any ordinary "For Sale" signs and Lessor may at any time during the last 120 days of the term hereof place on or about the Premises any ordinary "For Lease" signs, all without rebate of rent or liability to Lessee.

16.18 Signs and Auctions. Lessee shall not place any sign upon the Premises or conduct any auction thereon without Lessor's prior written consent.

16.19 Merger. The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Lessor, terminate all or any existing subtenancies or may, at the option of Lessor, operate as an assignment to Lessor of any or all of such subtenancies.

16.20 Corporate Authority. If Lessee is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with a duly adopted resolution of the Board of Directors of said corporation or in accordance with the Bylaws of said corporation, and that this Lease is binding upon said corporation in accordance with its terms. If Lessee is a corporation Lessee shall, within thirty (30) days after execution of this Lease, deliver to Lessor a certified copy of a resolution of the Board of Directors of said corporation authorizing or ratifying the execution of this Lease.

8.3 (Continued) Lessor & Lessee shall agree in writing each year as to the insurable value of the premises leased herein.

17.0 Occupancy by Lessee: Should premises be ready for occupancy prior or subsequent to March 1, 1976, Lessee shall take possession of premises within one week after being advised by Lessor of Lessor's receipt of said Notice of Completion and the rent shall commence upon the first day of said possession. Should possession take place prior to the first day of a month or after the first day of a month then rent shall be prorated on a daily basis to the first day of the next month thereafter and Lessee shall pay Lessor upon said possession said prorata rent together with the next month's rent.

The parties hereto have executed this Lease at the place and on the dates specified immediately adjacent to their respective signatures.

If this Lease has been filled in it has been prepared for submission to your attorney for his approval. No representation or recommendation is made by the real estate broker or its agents or employees as to the legal sufficiency, legal effect, or tax consequences of this Lease or the transaction relating thereto.

Executed at Los Angeles, California

on November 6, 1975

Address _____

By

By

"LESSOR"

Executed at El Monte, California

on November 6, 1975

Address 11310 Sherman Way

Sun Valley, California 91352

Stellar Hydraulics Company

By

By

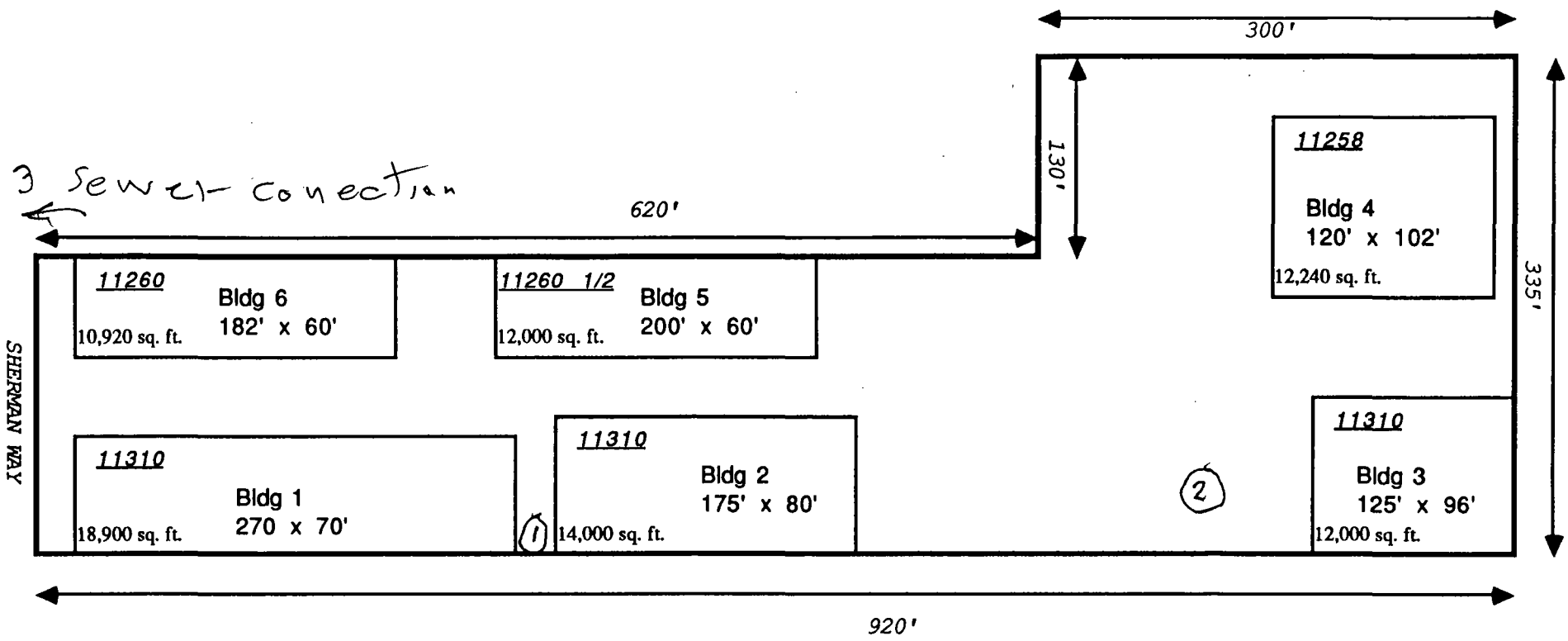
H. W. Snyder - Secretary-Treasurer

"LESSEE"

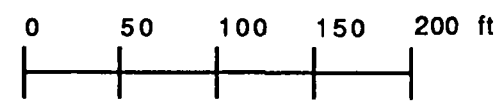
Attachment to Standard Industrial Lease by and between Gordon Wagner & Joseph W. Basinger, Lessor and Stellar Hydraulics, Lessee, dated 11/6/75

That portion of the east 100 feet of the west half of lot 62 of Lankershim Ranch Land and Water Company's subdivision of the east 12,000 acres of the south half of the Ranch X Mission of San Fernando, in the city of Los Angeles, county of Los Angeles, State of California as per map recorded in Book 31, Pages 39 seq. of miscellaneous records in the office of the City Recorder of said county line northerly of a line, extending south 89 degrees 4 feet 25 inches east from a point in the centerline of Tujunga Avenue, 50 feet wide distant north zero degrees 00 feet 30 inches west 406.44 feet from the intersection of said centerline of the westerly prolongation of the southerly line of said lot 62. Except therefrom the southerly 30 feet thereof.

2166-03483



HAWKER PACIFIC
SUN VALLEY, CA



1. Site of tank removal
2. Site of septic tank & leach tank
3. Site of sewer connection

Question #6
+ #14

Question # 7



HAWKER PACIFIC INC.

FLIGHT ACCESSORY SERVICES DIVISION

11310 Sherman Way, Sun Valley, CA 91352 USA Telephone (213) 875-2930 (818) 765-6201
Telex 698154 FAS SNVY Fax (818) 765-8073

8 August 1988

Mr. Gordon N. Wagner
105 Via Oravieto
Newport Beach, CA 92660

SUBJECT: Property at 11310 Sherman Way, Sun Valley California

Dear Mr. Wagner:

As we had previously advised you by telephone conversation (Wagner/Johnson 19 May 88) we have discovered an underground storage tank previously unknown to Hawker Pacific Inc. between Building 1 and Building 2, on the property we lease from you.

We have taken a sample of the tank's internal residues and submitted this sample for chemical analysis.

The results of the chemical analysis are attached for your information.

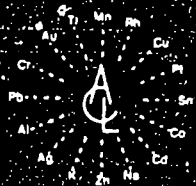
Given the problems that can occur should underground storage tanks fail, we request that you take immediate steps to remove the tank, check for historical leakage of the tank and make good the area from where the tank was removed.

Regards,

Bob Wilson
Vice President
General Manager

Ref: GM/140/L/H8





AnaCon Laboratories

PLATING SOLUTION ANALYSIS
METAL FINISHING SOLUTION ANALYSIS
24 HOUR SERVICE

713 North Main Street
Riverside, California 92501
Telephone 1(714) 781-9724

Flight Accessory Services
11310 Sherman Way
Sun Valley, CA 91352

August 3, 1988

LAB NO: 8-07-20-776

ATTENTION: Patty

P.O.# 37065

SAMPLE TYPE: Soil Sample

SAMPLE POINT: Tank rear of Bldg 1

DATE SAMPLED: 6/28/88

OBTAINED BY: J. Cabrera

=====

SW 846/EPA METHODS

TTLC ANALYSIS

Total Recoverable Oil & Grease 9070

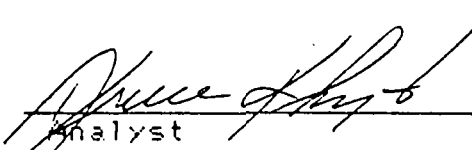
189,645 mg/Kg

Total Petroleum Hydrocarbons
Method 8015 Modified

<1 mg/Kg

Chlorinated Hydrocarbons Method 8120

None Detected

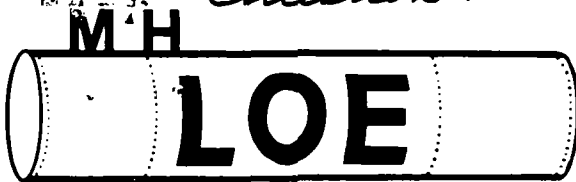

Analyst

AnaCon Laboratories

dw

Question # 7

2166-03483
STATE LICENSE NO. 517740



TANK SPECIALISTS



TEL: (805) 643-2000

FAX: (805) 643-2084

Date: October 19, 1989

PROPOSAL

Submitted To: HAWKER PACIFIC
Attn: Eric Johnson
11310 Sherman Way
Sun Valley, CA
(818) 765-6201

Re: Removal of one (1) 550 gallon Underground Storage Tank from the
Sherman Way Property

Dear Eric;

As we discussed at our meeting on October 17, 1989, M.H. Loe Co. is a full service company with a general contractors "A" licence and Hazardous Materials Handling Certificate which allows us to complete all jobs. We have experience in tank removals, site investigations and remediation of sites.

We Propose to furnish the following equipment, material, and labor as detailed below:

EQUIPMENT:

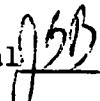
We shall provide the air compressor, jack hammer, backhoe, truck, and LEL meter (to measure explosiveness).

MATERIALS:

Dry ice to degas the tank prior to removal, backfill, and a concrete 4" cap

LABOR:

We shall develop drawings for the Application permit. Obtain required Permits. Move equipment onto site. We shall excavate the Tank, and remove the Tank. We shall truck Tank to an acceptable disposal site. We shall backfill, recompact, and lay a concrete cap. We will take one (1) sample as required by the regulatory agencies and submit to a state certified laboratory for analysis, one (1) EPA method 8015/8020 is included. Additional analysis as directed by the inspector or regulatory agency will be at the rates as specified on the attached CONTAMINATION CLEAN-UP RATES sheet. Forty eight (48) hour turn around on the sample analysis is available for an additional \$350 or at rates as specified on the attached rate sheet.

Initial: 

180 CAÑADA LARGA VENTURA, CALIFORNIA 93001



TANK SPECIALISTS

STATE LICENSE NO. 517740



TEL: (805) 643-2000

FAX: (805) 643-2084

HAWKER

PROPOSAL

PAGE 2 OF 3 October 19, 1989

The Proposal is subject to the following terms and conditions:

a. Exclusions:

Contaminated soil if found during excavation will be removed on a "Contamination Rate Sheet" basis. (Please see attached sheet). Any soil or water analysis ordered by Inspectors will be at an extra charge and the results of that analysis are required to be communicated directly to the requesting Agency.

b. Delays beyond control of M.H.Loe Company:

Unexpected delays in the progress of work on this project which are caused by failure to act by Governmental Inspectors as scheduled and relied upon by M.H.Loe Company will cause an additional charge to the client on a time and materials basis. Limited to \$400.

c. Underground Obstruction Clause:

M.H.Loe Co. assumes no responsibility for underground obstructions, such as: sewer, water, air, electrical lines, or any other underground facility, which in the course of excavation may be damaged or broken, unless we are provided with an accurate drawing showing the location of such "obstruction" prior to the commencement of excavation.

In the event of underground obstructions, such as: sewer water, air, electrical lines, solid rock, numerous boulders in excess of 10" in diameter, excessive water conditions, etc., or any condition which will impede or retard the progress of normal excavation - then all labor and materials expended by M.H.Loe Co. to overcome such obstructions will be billed as an "extra", on a time and material basis, to our quoted bid price.

d. Special Conditions:

In the event there is not direct access into the tank for the purpose of cleaning the tank, an additional charge based on time and materials will be necessary.

Initial



TANK SPECIALISTS

STATE LICENSE NO. 517740



TEL: (805) 643-2000

FAX: (805) 643-2084

HAWKER

PROPOSAL

PAGE 3 OF 3

OCTOBER 19, 1989

If the above terms and conditions are acceptable we propose to perform the above - in complete accordance with specifications for the sum of:

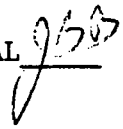
FOUR THOUSAND SEVEN HUNDRED EIGHTY and 00/100 dollars
(\$4,780.00)

Payment to be made as follows: 50% on Signing of Contract, and 50% Upon Completion.

Prices quoted in this proposal are effective until November 30, 1989

Sincerely,

Gary J. Goodemote
Marketing Representative

INITIAL 



TANK SPECIALISTS

STATE LICENSE NO. 517740



TEL: (805) 643-2000

FAX: (805) 643-2084

Acceptance of Proposal:

The preceding Proposal, with its terms and conditions, and the Time and Material Sheet are satisfactory and are hereby accepted. You are authorized to perform the work as specified. Payment will be made as indicated above. A service charge will be charged at the highest legal rate starting ten (10) days after the presentation of the Invoice. Invoices not protested in writing within twenty (20) days of presentation shall be considered non-contested. If any legal action is instituted to enforce the provisions of this contract, the prevailing party shall be entitled to receive reasonable attorney's fees in addition to costs and necessary disbursements, whether the resolution is by negotiation, arbitration, litigation or rescission of the contract. M.H. Loe Company, shall be entitled to recover interest for breach of contract from the date the debt becomes due, notwithstanding a bona fide dispute the parties over the amount owing.

SIGNATURE

DATE

2319 001 006

PROPERTY OWNER

ASSESSORS PARCEL NUMBER



TANK SPECIALISTS

STATE LICENSE NO. 517740



TEL: (805) 643-2000

FAX: (805) 643-2084

CONTAMINATION CLEAN-UP RATES

Site Assessment Plan \$2180.00
Backhoe \$40.00 per hour, \$70 on & off Fee
Operator \$39.50 per hour
Spotter/ Utility \$38.50 per hour
Design & Testing \$60.00 per hour
Manager \$85.00 per hour
Non Hazardous Waste \$205.50 per ton
Hazardous Waste \$280.00 per ton
H-Nu Testor \$150.00 per day

LAB TESTS: Turnaround Time	12 Days	5 Days	2 Days
TPH - per test 8015	\$250	\$375	\$500
BTXE 8020	\$250	\$375	\$500
TPH/BTXE 8015/8020	\$350	\$525	\$700
Fingerprint 8240	\$450	\$675	\$900
Waste Oil+Metal 8270	\$600	\$900	\$1200
Waste Oil 418.1	\$250	\$375	\$500
Lead Total Lead	\$75	\$125	\$150
Sample Taking	\$85.00 per hour		
Subcontractors	Cost Plus 20%		

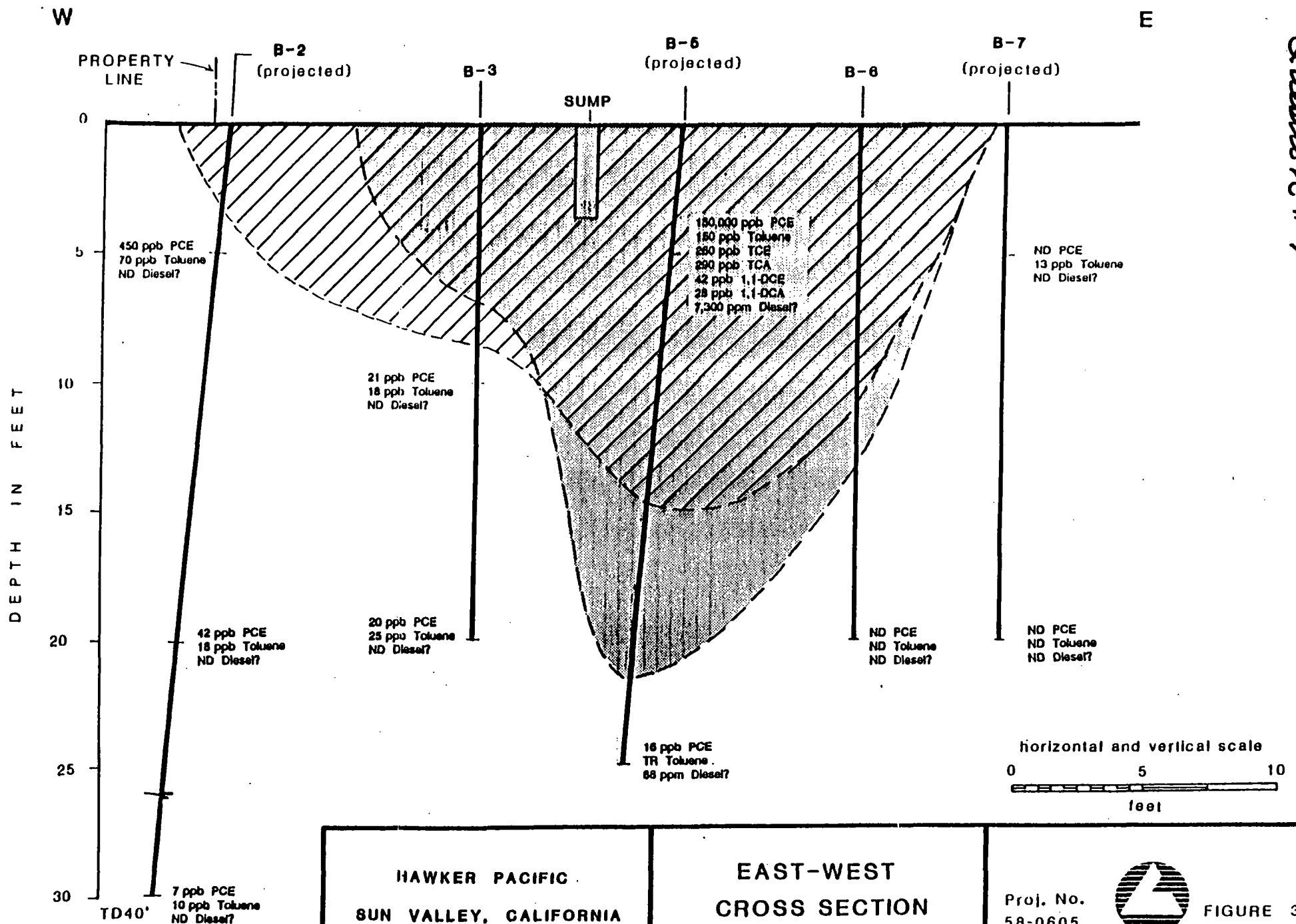
All rates per hour are four (4) hour minimum, portal-to-portal.

Payment Terms: All Contamination charges are payable upon presentation of invoices. A monthly service charge, at the maximum amount permitted by law, will be charged on the entire balance due Loe within 10 days after presentation of Invoice to client. If any legal action is instituted to enforce the provisions of this contract, the prevailing party shall be

CONTAMINATION CLEAN-UP RATES

Site Assessment Plan \$2180.00
Backhoe \$40.00 per hour, \$70 on & off Fee
Operator \$39.50 per hour
Spotter/ Utility \$38.50 per hour
Design & Testing \$60.00 per hour
Manager \$85.00 per hour

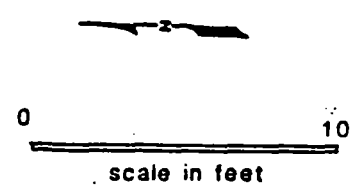
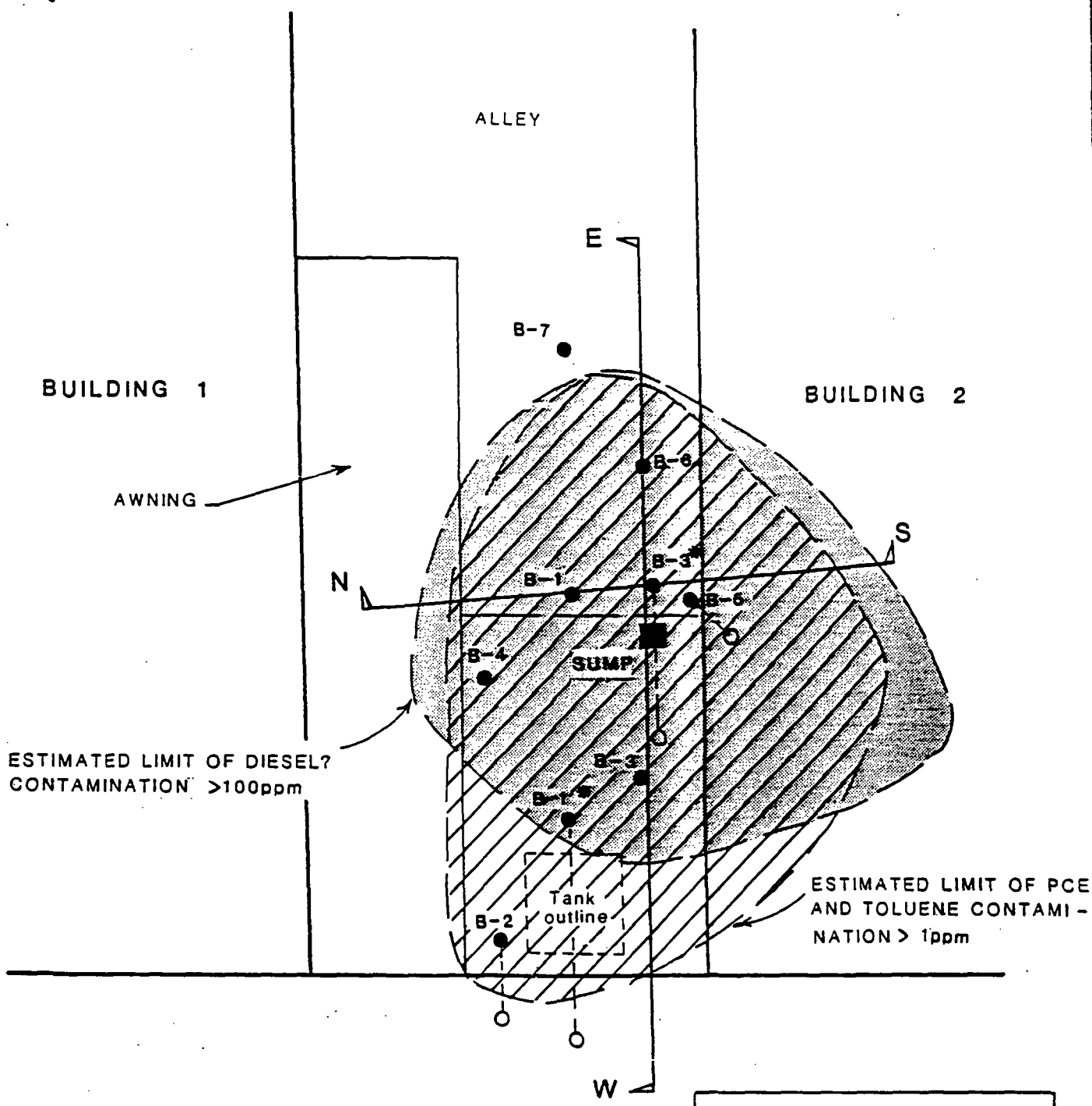
180 CAÑADA LARGA VENTURA, CALIFORNIA 93001



Question #7

2166-03483

PROJECT No. 38-0605 DATE 10/19/90 PROJ. MGR. J.D. DFT. M.G.



LEGEND

- B-2 ● Boring location and bottom hole location
- B-1* ● Boring from ALT investigation
- N — S Section line

Question # 7

INVOICE

M.H.

LOE

TANK SPECIALISTS

180 CAÑADA LARGA
VENTURA, CALIFORNIA 93001
STATE LICENSE NO 517740
PHONE: (805) 643-2000

INVOICE NO: 912077

INVOICE DATE: 12/29/89

MAKE CHECK PAYABLE TO M H LOE COMPANY

BILL TO:

HAWKER PACIFIC, INC
ATTN: PATRICIA R SMITH
11310 SHERMAN WAY
SUN VALLEY, CA 91352

JOB SITE:

SAME

JAN 4 REC'D

CONTRACT BILLING
TERMS: DUE ON PRESENTATION
OUR ORDER NO: 20115

CUST ID: HAWK01
CUST P.O.: 30768
SALESMAN: G GOODEMOTE

DESCRIPTION	UNITS	QTY	RATE	AMOUNT
-------------	-------	-----	------	--------

CONTRACT TO EXCAVATE/REMOVE/RESURFACE ONE U/G TANK:

EXTRA CHARGES PER CONTRACT:

11/21 PER INSPECTOR ROGERS - L.A. FIRE DEPT INSPECTOR,
STOP TANK PULL AND CHANGE TO ABANDON IN PLACE:

MARINE CHEMIST	HOURS	4	50.00	\$200.00
KALVAC - TANK RINSER	HOURS	4	75.00	300.00
GEOLOGIST	HOURS	4	85.00	340.00
BACKHOE	HOURS	4	40.00	160.00
BACKHOE MOVE ON/OFF	EACH	2	70.00	140.00
BACKHOE OPERATOR	HOURS	4	39.50	158.00
SPOTTER/UTILITY WORKER	HOURS	4	38.50	154.00
RESUBMIT PLANS/SCHEDULE				200.00

12/ 5 SITE VISIT/MEETING WITH ERIC JOHNSON	HOURS	4	40.00	160.00
--	-------	---	-------	--------

MARKUP

12/ 8 ALT-SUBCONTRACTOR - SAMPLING	LUMP SUM	2000	20%	2,400.00
ALT-SUBCONTRACTOR - CORING	LUMP SUM	300	20%	360.00

SITE IS CONTAMINATED, REVERT TO TANK PULL
RESUBMIT PLANS/SCHEDULE

200.00

TOTAL ADDITIONAL CHARGES

\$4,772.00

TOTAL AMOUNT DUE NOW

\$4,772.00

=====

THANK YOU FOR THE OPPORTUNITY TO BE OF SERVICE



LAW ENVIRONMENTAL, INC.
a professional engineering and
earth science consulting firm

Copy
INVOICE

SERVICE CENTERS:
ATLANTA, ALBANY, CHARLOTTE,
LOS ANGELES, LOUISVILLE,
MIAMI, NEWARK, SAN FRANCISCO,
SAN JUAN, TAMPA,
WASHINGTON, D. C., WILMINGTON

HAWKER PACIFIC
11310 SHERMAN WAY
SUN VALLEY, CA. 91352
ATTENTION: ERIK JOHNSON

PAGE NBR: 2
INV. DATE : 07/27/90
INVOICE # : 580430
PROJECT # : 58-0575-

CLIENT REF: 32195

SALARY & EXPENSE DETAIL

SALARIES AT FIXED RATE

	HOURS	RATE	AMOUNT
PROFESSIONAL 3			
MIKE H. HERNANDEZ	.50	74.0000	37.00
JULI OBORNE	9.00	74.0000	666.00
PROFESSIONAL 4			
WARREN W. GROSS	3.25	87.0000	282.75
	-----		-----
	12.75		985.75
** TOTAL PROJECT 58-0575-			985.75
			=====

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

Please Remit check and duplicate copy of invoice to:
P.O. Box 102051
Atlanta, Georgia 30368-0051
(404) 421-3400

Question #7

*****INVOICE*****

DATE: 8-16-90

INVOICE: 35598

CLIENT: HAWKER PACIFIC
11310 SHERMAN WAY
SUNLAND, CALIFORNIA 91352
ATTN: ERIC JOHNSON

PROJECT # 289
P.O.#
CONTRACT # C0039

PROJECT ADDRESS: 11310 SHERMAN WAY
SUNLAND, CALIFORNIA

SERVICE RENDERED: DRILLING AND SAMPLING AS PER PROPOSAL DATED 15 MAR 1990,
AND CONTRACT SIGNED 4 APR 1990 BY ROBERT D. GRISWELL/V.P. OPERATIONS

TOTAL THIS INVOICE

\$5,300.00

paid 1/2 (2650.00)
10-10-90
ck 9278

BM

THANK YOU FOR THE OPPORTUNITY TO SERVICE YOU

inv-std-2

ACCOUNT	Act 107
NO	31715
IN	35598
	62647
	12030
	2650.00
	2650.00
	5300.00
DISC	
PREPARE	AT
	J. C

\$ 280.
3 12650
28
26
14
100



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AUG 31 1990

SERVICE CENTERS:
ATLANTA, ALBANY, CHARLOTTE,
LOS ANGELES, LOUISVILLE,
MIAMI, NEWARK, SAN FRANCISCO,
SAN JUAN, TAMPA,
WASHINGTON, D. C., WILMINGTON

Question # 7

INVOICE

Please Add to P.O.

HAWKER PACIFIC
ATTN: ERIC JOHNSON
11310 SHERMAN WAY
SUN VALLEY, CALIFORNIA 91352

PAGE NBR: 1
INV. DATE : 08/24/90
INVOICE # : 580530
PROJECT # : 58-0605-

CLIENT REF: P.O. 32727

HAWKER PACIFIC UNDERGROUND TANK

DRILLING SET-UP

FOR PROFESSIONAL SERVICES
RENDERED THROUGH 08/31/90

DIRECT SALARIES EXPENSE	.00	1.0000	.00
SALARIES AT FIXED RATES			317.50
OTHER DIRECT CHARGES			.00
AMOUNT DUE THIS INVOICE *			317.50

FOR INVOICE QUESTIONS PLEASE CONTACT
JULIE OBOFAL AT (818) 848-0214

Sent 19 Sept Sent Aug 18 Oct

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

Please Remit check and duplicate copy of invoice to:
P.O. Box 102051
Atlanta, Georgia 30368-0051
(404) 421-3400

Showing open - 26 Sept 70

2166-03483



LAW-ENVIRONMENTAL, INC.
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AUG 31 1990

INVOICE

need Reg

Question # 7

HAWKER PACIFIC
11310 SHERMAN WAY
SUN VALLEY, CA 91352
ATTENTION: ERIK JOHNSON

PAGE NBR: 1
INV. DATE: 08/24/90
INVOICE #: 580515
PROJECT #: 58-0575-

CLIENT REF: 32195

HAWKER PACIFIC TANK CONSULTING

CLIENT CONSULTATION, SCOPE OF SERVICES FOR ADDITIONAL
DRILLING

FOR PROFESSIONAL SERVICES
RENDERED THROUGH 08/11/90

DIRECT SALARIES EXPENSE	.00	1.0000	.00
SALARIES AT FIXED RATES			501.00
OTHER DIRECT CHARGES			.00

AMOUNT DUE THIS INVOICE * 501.00

POSTED

NOV 5 1990

INT'L 7M

FOR INVOICE QUESTIONS PLEASE CONTACT
JULI OSBORNE AT 818-848-0214

JCC

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

Please Remit check and duplicate to
P.O. Box 102051
Atlanta, Georgia 30368-
(404) 481-0100



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INVOICE

HAWKER PACIFIC
11310 CHEROKEE WAY
SUN VALLEY, CA 91352
ATTENTION: MIK JOHNSON

PAGE NO: 2
INV. DATE : 02/24/90
INVOICE # : 580515
PROJECT # : 58-0575-

CLIENT REF: 32125

SALARY & EXPENSE DETAIL

SALARIES AT FIXED RATE

	HOURS	RATE	AMOUNT
WORD PROCESSOR 4			
PATRICIA E. ROBERTS	.50	43.0000	21.50
KATHERINE V. SOMMERS	1.50	43.0000	64.50
PROFESSIONAL 3			
JULI OGBORNE	4.00	74.0000	296.00
PROFESSIONAL 6			
JOHN G. CARMODY	1.00	119.0000	119.00
	<u>7.00</u>		<u>501.00</u>
** TOTAL PROJECT		58-0575-	<u>501.00</u>

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

Please Remit check and duplicate copy of invoice to:
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Atlanta, Georgia 30368-0051
(404) 421-3400

Question #7

2166-03483



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OCT 03 1990

DUPLICATE
NOT PREVIOUS
PAID ☒ INITIAL

SERVICE CENTERS:
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DENVER, FT. LAUDERDALE, HOUSTON,
KANSAS CITY, LOS ANGELES, LOUISVILLE,
ST. LOUIS, SAN FRANCISCO, SAN JUAN,
TAMPA, WASHINGTON, D.C., WILMINGTON

INVOICE

HAWKER PACIFIC
ATTN: ERIC JOHNSON
11310 SHERMAN WAY
SUN VALLEY, CALIFORNIA 91352

PAGE NO: 1
INV. DATE : 09/28/90
INVOICE # : 580614
PROJECT # : 58-0605-

CLIENT REF: P.O. 32727

HAWKER PACIFIC UNDERGROUND TANK
DRILLING, SAMPLING, LAB ANALYSES EVALUATION

FOR PROFESSIONAL SERVICES
RENDERED THROUGH 09/08/90

DIRECT SALARIES EXPENSE	.00	1.0000	.00
SALARIES AT FIXED RATES			3,532.00
OTHER DIRECT CHARGES			1,444.75
AMOUNT DUE THIS INVOICE #			5,382.75

FOR INVOICE QUESTIONS PLEASE CONTACT
JILLIE COBURN AT (818) 848-0214

ACCOUNT DISTRIBUTION	
PO # 32727	28 Sept
INV # 580614	5322
DATE 10/09/90	
DISCOUNT	0.38275
PREPARED BY	APPROVED

JCC

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

Please Remit check and duplicate copy of invoice to:

P.O. Box 102051
Atlanta, Georgia 30368-0051
(404) 421-3400



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DENVER, FT. LAUDERDALE, HOUSTON,
KANSAS CITY, LOS ANGELES, LOUISVILLE,
ST. LOUIS, SAN FRANCISCO, SAN JUAN,
TAMPA, WASHINGTON, D.C., WILMINGTON

INVOICE

HAWKER PACIFIC
ATTN: ERIC JOHNSON
11310 SHERMAN WAY
SUN VALLEY, CALIFORNIA 91352

PAGE NUMBER: 2
INV. DATE: 09/28/80
INVOICE #: 580614
PROJECT #: 58-0605-

CLIENT REF: P.O. 32727

SALARY & EXPENSE DETAIL

SALARIES AT FIXED RATE

	HOURS	RATE	AMOUNT
PROFESSIONAL 2			
ADAM S. HUTCHINSON	4.00	\$5.0000	200.00
KRISTEN K. WILLIAMS	.50	\$5.0000	2.50
PROFESSIONAL 3			
JULI OBORNE	47.50	74.0000	3,515.00
PROFESSIONAL 4			
ELAINE M. SILVESTRO	1.50	\$7.0000	10.50
	53.50		3,938.00

OTHER DIRECT CHARGES

	COST/MTY	RATE	AMOUNT
SUBCONTRACTORS			
SPECTRUM	365.00	1.1500	419.75
JOB RELATED INTRAOFFICE CHARGES			
MISC CHARGES I/O CHS	425.00	1.0000	425.00
EQUIPMENT RENTAL			
MISC CHARGES I/O CHS	480.00	1.0000	480.00
OPERATING MATERIAL & SUPPLIES			
MISC CHARGES I/O CHS	120.00	1.0000	120.00
MILEAGE			

** TOTAL PROJECT 58-0605-

1,444.75

5,382.75

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

Please Remit check and duplicate copy of invoice to:

P.O. Box 102051
Atlanta, Georgia 30368-0051
(404) 421-3400



LAW ENVIRONMENTAL, INC.

a professional engineering and
earth science consulting firm

Question #7

NOV 02 1990

INVOICE

2166-03483

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ATLANTA, ALBANY, CHARLOTTE, CHICAGO,
DENVER, FT. LAUDERDALE, HOUSTON,
KANSAS CITY, LOS ANGELES, LOUISVILLE,
ST. LOUIS, SAN FRANCISCO, SAN JUAN,
TAMPA, WASHINGTON, D.C., WILMINGTON

HAWKER PACIFIC
ATTN: ERIC JOHNSON
11310 SHERMAN WAY
SUN VALLEY, CALIFORNIA 91352

PAGE NBR: 1
INV. DATE : 10/26/90
INVOICE # : 580651
PROJECT # : 58-0605-

CLIENT REF: P.O. 32727

HAWKER PACIFIC UNDERGROUND TANK

REPORT PREPARATION

FOR PROFESSIONAL SERVICES
RENDERED THROUGH 10/06/90

DIRECT SALARIES EXPENSE	.00	1.0000	.00
-------------------------	-----	--------	-----

SALARIES AT FIXED RATES			3,840.00
-------------------------	--	--	----------

OTHER DIRECT CHARGES			10,723.68
----------------------	--	--	-----------

AMOUNT DUE THIS INVOICE *			14,563.68
---------------------------	--	--	-----------

FOR INVOICE QUESTIONS PLEASE CONTACT
JULIE OBORNE AT (818) 848-0214

ACCOUNT DATE	10/26/90
P.O. #	32727
INV. #	580651
ACCT. #	14099
ACCT. #	
ACCT. #	
DISCOUNT	
PREPARER	25
APPROVAL	
TOTAL	14563.68

JCC

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

Please Remit check and duplicate copy of invoice to:
P.O. Box 102051
Atlanta, Georgia 30368-0051
(404) 421-3400



LAW ENVIRONMENTAL, INC.
*a professional engineering and
earth science consulting firm*

SERVICE CENTERS:
ATLANTA, ALBANY, CHARLOTTE, CHICAGO,
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ST. LOUIS, SAN FRANCISCO, SAN JUAN,
TAMPA, WASHINGTON, D.C., WILMINGTON

INVOICE

HAWKER PACIFIC
ATTN: ERIC JOHNSON
11310 SHERMAN WAY
SUN VALLEY, CALIFORNIA 91352

PAGE NBR: 2
INV. DATE : 10/28/90
INVOICE # : 580551
PROJECT # : 58-0605-

CLIENT REF: P.O. 32727

SALARY & EXPENSE DETAIL

SALARIES AT FIXED RATE

	HOURS	RATE	AMOUNT
WORD PROCESSOR 4			
KATHERINE V. SONNERS	11.00	43.0000	473.00
PROFESSIONAL 3			
JULI OBORNE	45.50	74.0000	3,367.00
	56.50		3,840.00

OTHER DIRECT CHARGES

	COST/QTY	RATE	AMOUNT
SUBCONTRACTORS			
LAYNE-WESTERN COMPANY	2,891.00	1.1500	3,324.65
R.C.D.S. INC.	190.00	1.1500	218.50
CURTIS & TOMPKINS, LTD	3,535.00	1.1500	4,065.25
LAYNE ENVIRONMENTAL SERV	2,662.50	1.1500	3,061.87
SUPPLIES & CONN JOB REL - BILLED			
JULI OBORNE	15.41	1.1500	17.72
PER DIEM & MILEAGE - JR BILLED			
JULI OBORNE	14.04	1.1500	16.14
BUS & TECH SERVICES JR BILLED			
1ST CLASS MESSENGER, INC	17.00	1.1500	19.55
			10,723.68
** TOTAL PROJECT 58-0605-			14,563.68

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

Please Remit check and duplicate copy of invoice to:
P.O. Box 102051
Atlanta, Georgia 30368-0051
(404) 421-3400

DUPLICATE INVOICE

Question #7

2166-03483



LAW ENVIRONMENTAL, INC.
a professional engineering and
earth science consulting firm

NOV 27 1990

SERVICE CENTERS:
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TAMPA, WASHINGTON, D.C., WILMINGTON

INVOICE

HAWKER PACIFIC
ATTN: ERIC JOHNSON
11310 SHERMAN WAY
SUN VALLEY, CALIFORNIA 91352

PAGE NBR: 1
INV. DATE : 11/23/90
INVOICE # : 580709
PROJECT # : 58-0605-

CLIENT REF: P.O. 32727

HAWKER PACIFIC UNDERGROUND TANK
REPORT PREPARATION, CLIENT AND AGENCY CONTACT

FOR PROFESSIONAL SERVICES
RENDERED THROUGH 11/03/90

DIRECT SALARIES EXPENSE	.00	1.0000	.00
SALARIES AT FIXED RATES			3,209.50
OTHER DIRECT CHARGES			1,748.00

AMOUNT DUE THIS INVOICE *			4,957.50

FOR INVOICE QUESTIONS PLEASE CONTACT
JULIE OBORNE AT (818) 848-0214

ACCOUNT DISTRIBUTION # <i>Lawrence</i>	
P.O. # <i>32727</i>	REC. DATE <i>23 Nov</i>
INV. # <i>580709</i>	DUE DATE
ACCT. # <i>14099</i>	T. <i>4957.50</i>
ACCT. #	A.M.T.
ACCT. #	A.M.T.
DISCOUNT	TOTAL <i>4957.50</i>
PREPARER <i>JS</i>	APPROVAL

JCC

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

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TAMPA, WASHINGTON, D.C., WILMINGTON

INVOICE

HAWKER PACIFIC
ATTN: ERIC JOHNSON
11310 SHERMAN WAY
SUN VALLEY, CALIFORNIA 91352

PAGE NBR: 2
INV. DATE : 11/23/90
INVOICE # : 530709
PROJECT # : 58-0605-

CLIENT REF: P.O. 32727

S A L A R Y & E X P E N S E D E T A I L

SALARIES AT FIXED RATE

	HOURS	RATE	AMOUNT
WORD PROCESSOR 4			
PATRICIA E. ROBERTS	6.00	43.0000	258.00
KATHERINE V. SOMMERS	.50	43.0000	21.50
DRAFTSPERSON			
MAGDA GHKA	9.50	50.0000	475.00
PROFESSIONAL 3			
JULI OSBORNE	32.00	74.0000	2,368.00
PROFESSIONAL 4			
JANICE A. JOHNSTON	1.00	87.0000	87.00
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	49.00		3,209.50

OTHER DIRECT CHARGES

	COST/QTY	RATE	AMOUNT
SUBCONTRACTORS			
CURTIS & TOMPKINS, LTD	1,520.00	1.1500	1,748.00

			1,748.00
** TOTAL PROJECT 58-0605-			4,957.50
			=====

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

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Atlanta, Georgia 30368-0051
(404) 421-3400

RYAN-MURPHY, INCORPORATED
5867 BROADWAY
DENVER, CO 80216
(303) 293-3835

* * * * *
* INVOICE *
* * * * *

PAGE:
DATE: 08/27/91
INVOICE NO: 91049

PLEASE NOTIFY US IF YOU CHANGE YOUR BILLING ADDRESS

BILLED HAWKER PACIFIC
TO: 11310 SHERMAN WAY
SUN VALLEY, CA 91352

DELIVERED HAWKER PACIFIC
TO: 11310 SHERMAN WAY
SUN VALLEY, CA 91352

CUSTOMER ID.: HAWPAC
JOB NO.: 2136
SALESMAN:
TERMS: NET 30

CUST. PO#: ~~HAWPAC~~ 35018
OUR PO#:
COMP. DATE: 08/27/91
DUE DATE: 09/27/91

DESCRIPTION	QUANTITY	UNIT	\$/UNIT	AMOUN
PER OUR PROPOSAL DATED JULY 11, 1991 JOB 100% COMPLETE.	1.00		6,400.000	6,400.0

0.00		0.000	0.0
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0.00		0.000	0.0
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* SUBTOTAL CHARGES *			6,400.0
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* SUBTOTAL CREDITS *			0.0
----------------------	--	--	-----

*** TOTAL ***			6,400.0
---------------	--	--	---------

RECEIVED
SEP 20 1991
Ans'd.....

PLEASE MAIL CHECK TO:
RYAN-MURPHY, INC.
P. O. BOX 1783
ENGLEWOOD, CO 80150

6247

Question #7



HAWKER PACIFIC INC.

11310 Sherman Way, Sun Valley, CA 91352 USA Telephone (213) 875-2930 (818) 765-6201
Telex 698154 HPI SNVY Fax (818) 765-8073

September 24, 1991

Gordon Wagner
104 Via Orvieto
Newport Beach, CA 92663

Dear Gordon:

Attached is the first bill we have received in the latest phase of the underground tank project. This company excavated the site, removed and disposed of the tank and filled the hole. The work was performed under the direction of our consultants, Law Environmental and was observed by the LA County Fire Department, who permits the removal of the tank and the Southern California Regional Water Quality Board. Local soil samples were also taken. The results have not yet been received. They will determine the next step.

I will keep you informed.

Yours very truly,

Jeff B. Belzer
Vice President
Administration & Finance

JBB/lis

enclosures

Question # 7

**HAWKER PACIFIC INC.**

11310 Sherman Way, Sun Valley, CA 91352 USA Telephone (213) 875-2930 (818) 765-6201
Telex 698154 HPI SNVY Fax (818) 765-8073

November 1, 1991

Mr. Gordon Wagner
104 Via Orvieto
Newport Beach, CA 92660

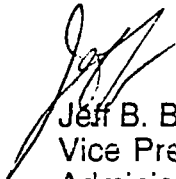
Dear Gordon:

Attached are copies of two invoices from Law Environmental totaling \$2,842.00.

With respect to the status of the project, I have some good news. It appears that the Phase II additional borings to determine the exact extent of the contamination will probably not be required. It now looks like the Water Board will let us go directly to Phase III which is vapor extraction.

I will keep you posted.

Regards,


Jeff B. Belzer
Vice President
Administration & Finance

JBB/lb

attachments

CK 9838 dated 11-4-91 \$1421.00
1/2 of invoices 580529 + 580579
Gordon N. Wagner



LAW ENVIRONMENTAL, INC.
a professional engineering and
earth science consulting firm

SEP 10 1991

SERVICE CENTERS:
ATLANTA, ALBANY, CHARLOTTE, CHICAGO
DENVER, FT. LAUDERDALE, HOUSTON,
KANSAS CITY, LOS ANGELES, LOUISVILLE,
ST. LOUIS, SAN FRANCISCO, SAN JUAN,
TAMPA, WASHINGTON, D.C., WILMINGTON

INVOICE

HAWKER PACIFIC
ATTN: ERIK JOHNSON
11310 SHERMAN WAY
SUN VALLEY, CALIFORNIA 91352

PAGE NBR: 1
INV. DATE : 08/30/91
INVOICE # : 580529
PROJECT # : 58-1569-

CLIENT REF:

TANK REMOVAL CONTAMINATION ASSESS.

CLIENT MEETING, TANK REMOVAL COORDINATION

FOR PROFESSIONAL SERVICES
RENDERED THROUGH 08/10/91

DIRECT SALARIES EXPENSE .00

SALARIES AT FIXED RATES 1,043.50

OTHER DIRECT CHARGES .00

AMOUNT DUE THIS INVOICE * 1,043.50

FOR INVOICE QUESTIONS PLEASE CONTACT
JULI OSBORNE AT (818) 848-0214

J60

Handwritten signature: J. Johnson
Handwritten date: 9/24/91

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

Please Remit check and duplicate copy of invoice to:

P.O. Box 102051
Atlanta, Georgia 30368-0051
(404) 421-3400

ORIGINAL



LAW ENVIRONMENTAL, INC.
a professional engineering and
earth science consulting firm

OCT 03 1991

SERVICE CENTERS:
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INVOICE

HAWKER PACIFIC
ATTN: ERIK JOHNSON
11310 SHERMAN WAY
SUN VALLEY, CALIFORNIA 91352

PAGE NO: 1
INV. DATE : 09/27/91
INVOICE # : 580579
PROJECT # : 58-1569-

CLIENT REF: P.O. 90019

Task I
TANK REMOVAL CONTAMINATION ASSESS.

CLIENT MEETING, TANK REMOVAL COORDINATION

FOR PROFESSIONAL SERVICES
RENDERED THROUGH 09/07/91

DIRECT SALARIES EXPENSE .00

SALARIES AT FIXED RATES 1,798.50

OTHER DIRECT CHARGES .00

AMOUNT DUE THIS INVOICE * 1,798.50

FOR INVOICE QUESTIONS PLEASE CONTACT
JULI GEORGE AT (818) 648-0214

(Handwritten signature)
90019
580579
21011

(Handwritten signature)
27 Sept
1798.50

JGC

TERMS: Net Cash upon receipt of invoice. A late payment charge of 18% per annum or the maximum amount may be added in the event payment is not made within 30 days after invoice date.

Please Remit check and duplicate copy of invoice to:

P.O. Box 102051
Atlanta, Georgia 30368-0051
(404) 421-3400